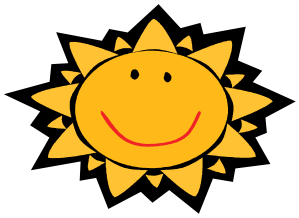
Claims Clues May 2005



Selecting Electronic Payment Is Easy, Convenient

AHCCCS has made it easy for providers to begin receiving electronic Fee-For-Service Reimbursement. The electronic payment option processes payments using the Automated Clearing House (ACH) rather than issuing checks to providers.

The ACH payment method enables providers to receive reimbursement more quickly.

The Arizona Clearing House Association (ACHA) processes electronic payments directly to the provider's bank account through Bank of America, which functions as the state-servicing bank.

BofA will make the electronic payment available to a provider's account one business day after the date AHCCCS transmits the ACH payment file to BofA.

The ACH process offers several benefits to providers, including:

- Immediate availability of funds
- Fully traceable payments
- Elimination of mail and deposit delays
- Elimination of lost, stolen or misplaced checks

To begin receiving ACH payments, a provider must complete section 2 and 3 of the ACH Vendor Authorization form. The form is available on the AHCCCS web site at

WWW.ahcccs.state.az.us. Click on links for Plans and Providers.
On the quick links for Health Plans & Providers page, click on forms, and then scroll down to the ACH Vendors Authorization Form.

Vaccines for Children (VFC) Program

There were 4 new immunization administration codes (90465,90466,90467 and 90468) made available for use effective 1/1/2005.
Under the federal Vaccines for Children (VFC) program, providers are paid a capped fee for administration of vaccines to recipients 18 and younger.
Providers must ***not*** use the immunization administration CPT codes,

- 90471 - (Immunization administration (includes percutaneous, intradermal, subcutaneous, or intramuscular injections); one vaccine(single or combination vaccine/toxoid)
- 90472 - (Each additional vaccine (single or combination vaccine/toxoid)
- 90473 - Immunization administration by intranasal or oral route; one vaccine (single or combination vaccine/toxoid))
- 90474 - (Each additional vaccine (single or combination vaccine/toxoid)

- 90465 - (Immunization administration under 8 years of age (includes percutaneous, intradermal, subcutaneous or intramuscular injections) when the physician counsels the patient/family; first injection (single or combination vaccine/toxoid), per day (available for use 1/1/2005)
- 90466 - (Each additional injection (single or combination vaccine/toxoid), per day (available for use 1/1/2005)
- 90467 - (Immunization administration under age 8 years (includes intranasal or oral routes of administration) when the physician counsels the patient/family; first administration (single or combination vaccine/toxoid), per day (available for use 1/1/2005)
- 90468 - (Each additional administration (single or combination vaccine/toxoid), per day (available for use 1/1/2005)

Providers are reminded to bill the appropriate CPT code (for listing of vaccines covered under VFC program, refer to Fee For Service Provider Manual) for the immunization with the "SL" (State supplied vaccine) modifier that identifies the immunization as part of the VFC program.

AHCCCS billing requirements to change for ANESTHESIA PROVIDERS effective 7/1/12005

It is standard medical protocol for anesthesiologists to record the total time *in minutes* while patients are anesthetized for procedures.

Services rendered PRIOR to 7/1/2005 -

AHCCCS requires anesthesia providers to convert the minutes patients are under anesthesiologists' care into units (every 15 minutes or fraction thereof equals 1 unit) for purposes of submitting claims for payment. AHCCCS reimbursement methodology is comprised of the basic value (i.e., base unit) and time unit components. AHCCCS requires only the time units to be billed on a claim for anesthesia services. The AHCCCS system logic compares the billed (time) units to system service limits and adds the base unit value to calculate total units. The total units are multiplied by the anesthesia per unit reimbursement factor (currently $32.30) which equals the AHCCCS allowed amount.

Services rendered 7/1/2005 and after -
AHCCCS will require anesthesia providers to submit anesthesia ***minutes*** on claims. AHCCCS will still pay claims based on units (rather than minutes). AHCCCS system logic will calculate units from the minutes submitted, and continue to add a procedure's base component to determine the total units for reimbursement. The total units are multiplied by the anesthesia per unit reimbursement factor (currently $32.30) which equals the AHCCCS allowed amount.

Maximum service units based on previous Medicare study will be eliminated - except for OB epidural procedures (01967, 10968 and 01969). AHCCCS will maintain the upper limit for these procedures at the base component plus eight time units (120 minutes).

OUTPATIENT HOSPITAL FEE SCHEDULE METHODOLOGY TO CHANGE FOR DATES OF SERVICE 7/1/2005 AND AFTER

AHCCCS has developed and will implement, EFFECTIVE 7/1/2005, an outpatient hospital fee schedule with features similar to Medicare:

- Group procedures into Ambulatory Payment Classifications (APCs) for rate setting purposes (using grouping methodology from Medicare 2005 rule).
- Grouping items that bundle with surgery and ED claims for pricing purposes (using list of revenue codes from Medicare 2005 rule).

AHCCCS will reimburse in-state, non-IHS hospitals for outpatient services billed on a UB-92 claim for using the AHCCCS Outpatient Hospital Fee Schedule.

- The Outpatient Hospital Fee Schedule will provide rates at the procedure code level, and covered procedures that do not have a specific rate on the fee schedule will be paid at the default cost-to-ratio.
- Payment for surgery procedures and for Emergency Department (ED) services will be bundled similar to Medicare.
- Multiple surgeries will pay the higher rate surgery at 100% of the fee schedule and secondary surgeries at 50% of the fee schedule (exceptions will be noted for those procedures that are intended to be paid at 100%
- Late charge bills will no longer be accepted.
- When billing adjustments (including late charges), hospitals must rebill the entire claim.
- Incorrectly submitted claims will not deny/disallow at the line level. If one line of the claim is billed incorrectly, the entire claim will be denied.
- Out-of-State outpatient hospital claims will be reimbursed using the AHCCCS Outpatient Hospital Fee Schedule or a negotiated rate.
- AHCCCS will require that outpatient services be billed with an appropriate CPT or HCPCS code that further defines the services described by the revenue code listed on the UB-92 claim form.
- Labor and Observation must be billed with Revenue Code 762 as well as the appropriate CPT/HCPCS codes.

A complete description of the billing/reporting requirements for the AHCCCS Outpatient Hospital Fee Schedule will be provided in the AHCCCS Fee-For-Service Provider Manual. And, additional information regarding the Outpatient Fee Schedule will be provided in future Claims Clues, and once finalized, it will be posted to the AHCCCS website.

NEW PHONE SYSTEM:

The Contact Centers at AHCCCS have a new telephone system that makes the process of contacting us more efficient. When you call one of the Contact Centers at AHCCCS you will have different options.

If you are a Provider, you will be prompted to enter your Provider ID number and your telephone number, which will automatically display your information to the AHCCCS representative.

The managers of these Contact Centers agree that providing your identifying information at the beginning of the call and having the system automatically display it will save the customers and the representatives time, allowing them to interact with the customer more efficiently. They have also said that the new system should reduce wait time and help you get to the correct representative, thereby reducing the number of transferred calls.

The telephone numbers for Provider Registration and Claims Customer Service will remain the same, however, the individual phone numbers for Provider Authorization will no longer function. The phone number for Prior Authorization will change to 602-417-4400 or 1-800-433-0425.

The new system was implemented April 22, 2005, with the exception of Prior Authorization, which will be implemented in the next couple of weeks. Your patience during this transition, and your continuing patience, is very much appreciated.

Physician Fee Schedule Update:

The Arizona Health Care Cost Containment System (AHCCCS) is revising its Fee-For-Service (FFS) Physician Fee Schedule payment rates and its Freestanding Dialysis Facility Composite Rates for dates of service on and after May 1st, 2005.

The update consists of 6 components: (1) the FFS physician fee schedule rates (excluding dental and transportation services, and exceptions noted below) will be updated based on Medicare's 2005 physician fee schedule; (2) the rates for FFS maternity services (CPT codes 59000 – 59899) will be increased to 10% above the published 2005 Medicare rates, except that rates that are currently 10% more above Medicare will remain unchanged; (3) the rates for FFS speech therapy services (CPT codes 92506 – 92508 only) will be increased to the midpoint between the 2004 AHCCCS rate and the published 2005 Medicare rates; (4) the rates for drugs and injectibles will be updated based on Medicare's 2005 drug rates, except for chemotherapy drugs and hemophilia factors, which will remain unchanged; (5) the anesthesia rate will be increased to $32.30 per 15 minutes; and (6) the composite rates for dialysis services provided by freestanding dialysis facilities will be increased by 10%.

If you have any questions concerning the AHCCCS fee schedule, please call Victoria Burns at (602) 417-4049, or if outside Maricopa County (800) 654-8713 ext. 7-4049.

Clarification on Transportation Codes:

AHCCCS will be opening codes A0433 - Ambulance Service, ALS2 and A0434 -Specialty Care Transport. The reimbursement for the two services will be at the same rate as A0427 Ambulance Service, Advance Life Support. Providers with rates set by the Arizona Department of Health Services will be reimbursed at 80% of the ADHS approved rate. All other providers will be reimbursed at the lesser of the Fee-for-Service rate for A0427 or 80% of billed charges.
Both codes are base codes so should not be reported with other base codes for ALS or BLS services, bill mileage for both codes using A0425.

Message From Arizona Governor Janet Napolitano:

CELEBRATING WOMEN'S HEALTH WEEK: MAY 8-14

There are so many roles today's women play – from mother to teacher to community and business leader – that we need to be particularly aware of issues related to our health. Please join me in celebrating National Women's Health Week from May 8th to May 14th. This is an important effort to raise awareness about the simple steps we as women can take to improve our health.

Throughout the week, local providers and agencies are encouraged to participate in Women's Health Week 2005 by supporting an activity in their local community. Your organization can participate in several ways:

• Offer a free preventative screening on national Check Up Day, May 9, 2005. Sign-up at

http://azdhs.gov/whweek/provider.pdf.

• Plan an activity for Women's Health Week and register online at

http://azdhs.gov/whweek/host.pdf.

To register for an event, complete the appropriate form and email it to hannenc@azdhs.gov or fax it to (602) 364-1495 to Cathy Hannen's attention.

There are many activities already planned at the State Capitol and in your community during the week that promote healthy behavior. To learn more about events or to find a health care provider near you, please visit the Women's Health Week web site at http://azdhs.gov/whweek/index.htm.

I urge you to take advantage of a free check up on May 9, 2005 at a health care provider near you or on May 11, 2005 at the Health Expo at the Capitol's Executive Tower lobby from 10 a.m. to 1:30 p.m. And, please, bring your mother, daughter, sister or a friend to get a health check up, too. With efforts like these, Arizona's women will continue to reach new milestones. By working together and taking an active role in promoting women's health, we are on the road to a healthier Arizona.